

City of Greenville

NCHFA New Home Loan Pool 20% Deferred Loan

The North Carolina Housing Finance Agency (NCHFA) 20% Deferred Loan provides an interest-free, deferred payment second mortgage loan of up to 20% of the home's sales price with a maximum of \$20,000.00 for new construction.



<u>Eligibility:</u>	Qualified first-time low-to-moderate income homebuyers. (Qualified buyers are to meet credit, employment, loan-to-value and income debt standards established by the City of Greenville, NCHFA and the mortgage lender with total family income not to exceed 80% of area median). Buyers must satisfactorily complete homeownership education program, present certificate of completion and pre-qualify with a mortgage lender. Buyers must occupy dwelling as principle residence.
<u>Location & Price:</u>	The home must be new construction within the Countryside Estates Subdivision with a maximum sells price of \$116,000.00.
<u>Minimum Borrower Investment:</u>	\$750.00 plus closing cost (closing cost must be paid by buyer, seller, or through available city funds).
<u>Security:</u>	A Deed of Trust in the amount received will be recorded taking a second position by the North Carolina Housing Finance Agency.
<u>Loan Approval:</u>	Qualified applications are submitted to NCHFA for loan approval and funding.
<u>Other:</u>	<p>Applicant must pre-qualify with lending institution before applying for downpayment / closing cost assistance with the City of Greenville. Applicant must provide a signed copy of the Lender's Good Faith Estimate (GFE) with all fees disclosed, the interest rate and terms of loan. Mortgage lenders used for financing on the first mortgage <u>must include escrows</u> as part of their package.</p> <p>Unacceptable First Mortgage Products:</p> <ul style="list-style-type: none">* Loans with owner financing as part of the structure are not acceptable.* All loans to borrower must be cost effective. Interest rates should be at market rate or less with no loan discount points, loan origination fee should be 1% or less and all loan fees should be normal and not excessive.* First mortgage loan products that balloon prior to 30 years, adjustable rate mortgages, buy-down or step mortgages, loans with less than 20 year terms and loans with call options should not be considered as acceptable programs for borrowers requesting City of Greenville Downpayment / Closing Cost Assistance Programs.

*Low-to-moderate income is defined by the U.S. Department of Housing and Urban Development (HUD) and refers to households with income 80% or less of area median for Greenville, NC.

(These percentages are adjusted each year and are based on household size. Staff will determine your income percentage.)

*First Time Home Buyer is a homebuyer not having owned a home in the past 3 years.

FOR MORE INFORMATION CONTACT

City of Greenville Planning & Community Development
(252) 329-4481

Gloria H. Kesler
(252) 329-4226

WHAT TO BRING WITH YOU APPLICATION

_____ Copy of Credit Report- Call Equifax at 1-800-685-1111 or go on the internet to Equifax.com. Please review your credit report for correctness and that all bills are current. All outstanding charged-off accounts, liens, and judgments must be paid in full. However, small medical bills can be on a written payment plan. **Please write a letter explaining all negative items on your credit report.**

_____ Copy of the Lender's Good Faith Estimate and Pre-qualification letter based on the review of your credit report. You need to get pre-qualified to know how much you can borrow and the cost involved in purchasing a home.

_____ Verification of Employment / Income form completed & returned by your employer.

_____ Verification of Rental form completed & returned by your landlord.

_____ Pay stubs for the most recent 2 (two) months.

_____ Signed Tax Returns with W-2's for the past 2 (two) years. (If you are self-employed include a Profit / Loss Year to Date Statement).

_____ Copy of last 2 (two) Bank Statements for all accounts (checking, saving, IRA's, 401K, etc.).

_____ Signed copy of Offer to Purchase or Contract with Builder.

_____ Copy of First Time Homebuyers Certificate(s). The next class is _____.

_____ Proof of Social Security or Public Assistance Payments.

_____ Proof of receipt or payment of Child Support with copy of court order for child support.

_____ Proof of receipt or payment of Alimony.

_____ Copy of Divorce Decree or Legal Separation (only if less than one year).

_____ Gift Letter (If you are receiving funds from a relative).

_____ Other: _____

NOTE: Mortgage Contact Person: _____

Phone Number: _____

